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**Committee on Import Licensing**

Original: English

## **IMPORT LICENSING SYSTEM OF EGYPT**

### **REPLIES OF EGYPT TO THE ADDITIONAL QUESTIONS FROM THE EUROPEAN UNION**

The following communication, dated 20 April 2021, is being circulated at the request of the delegation of Egypt.

Egypt would like to thank the European Union for the additional questions raised in G/LIC/Q/EGY/4.

The following are a preliminary set of replies to the questions raised and Egypt welcomes further requests for clarification.

#### **EU additional questions**

**EU Question No 1: Could Egypt submit the following information on import licensing of ducklings and canned meat under Prime Minister's Decree No. 2080/2018 and Prime Minister's Decision No. 222/2018:**

- (a) Which concrete products are subject to import licensing under each act?**
- (b) What is the reason for limiting the quantity of imports of products covered by these acts?**
- (c) Please list all dates on which the two committees created by the above acts met since their establishment (separately for each committee)?**
- (d) What is the procedure to inform importers about the meeting dates of the committees and about the outcome of the importers' requests for import permits?**
- (e) Under which conditions import permits are approved under each act?**
- (f) Are there any appeal mechanisms foreseen for importers, in case their import requests are rejected?**
- (g) How many requests for import permits for goods originating from the EU have been rejected since the creation of the two committees and on which grounds (separately for each committee)?**
- (i) When will Egypt submit the notification of these laws to the WTO?**

#### Reply:

- (a) Prime Minister's Decree No. 2080/2018: covers live animals, meat, and meat products.

Prime Minister's Decree No. 222/2018: covers Poultry and its products.

- (b) These decrees do not limit the quantity of imports of the products and do not create any quantitative restrictions. They aim at regulating the imports of the covered products to ensure that the imports of such products don't lead to the introduction of any diseases and also to ensure that they meet the required standards stipulated by The General Organization of Veterinary Services.

- (c) Dates on which the 2 committees were held in 2021 and 2020:
- i. 22 February 2021 the two committees were convened.
  - ii. 20 July 2020 and 23 August 2020 for the committee established by Prime Minister's Decree No. 222/2018 which covers poultry and its products and its processed products.
  - iii. 11 March 2020 and 20 July 2020 for the committee established by Prime Minister's Decree No. 2080/2018 which covers live animals, meat products and processed meat products.

The two committees are usually held every three months, (as the validity of the import permit is three months) and/or when needed and according to the number of import requests submitted to the two committees.

- (d) Importers are informed about the meeting dates of the committees and the outcomes of their requests for import permits through referring back and following up with the Central Administration of Veterinary Services, or the office of the Head of the General Organization of Veterinary Services(GOVS), or the office of the Deputy Minister of Agriculture and Land Reclamation.
- (e) Import permits are approved based on the epidemiological situation of the exporting country and meet the required standards and requirements stipulated by The General Organization of Veterinary Services (GOVS).
- (f) According to Prime Minister's Decree Nos. 222/2018 and 2080/2018 requests for import permits are not rejected except for reasons related to the epidemiological of the exporting county or not fulfilling the set requirements including the capacity of the refrigerator's facilities and capacity of the quarantine areas.
- (g) There has been no rejection of requests for import permits for goods originating from the EU. Nevertheless, the acceptance of requests could be delayed based on the decision of the two committees for reasons related to logistical reasons including the capacity of the refrigerator's facilities and the capacity of the quarantine areas.
- (h) The two decrees shall be part of the regulations that will be notified to the Import Licensing Committee.

**EU Question No 2: Could Egypt submit all relevant information justifying the import prohibitions applied to sugar under Decree Nos. 259/2020 and 420/2020 extending the import restrictions?**

Reply:

Currently, there is no import prohibition on sugar. The recent Ministerial Decree No. 117 for year 2021 issued March 2021 has extended the application of the Ministerial Decree No. 606 for the year 2020 issued 3 December 2020 which had already relaxed the temporary import restrictions on sugar.

As is the case for imports of raw sugar in the previous two Decrees (Nos. 259/2020 and 420/2020), Decree Nos. 606/2020 and 117/2021 allow for the importation of white sugar through obtaining an import approval from the Minister of Trade and Industry and the Ministry of Supply and Internal Trade.

Taking into consideration that the measure is temporary in nature its duration is three months.

The decree aims at the organization of the internal market in order to ensure that all traders have a share in the market which will have a positive impact on trade. It is also important for statistical purposes to keep track of the expected volume of imports over a period of time especially in times of the pandemic we are all suffering from.

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**EU question No 3: Could Egypt submit the following information on food import licensing under Decree No. 6/2020:**

- (a) Has Egypt notified this new Decree to WTO?**
- (b) How has Egypt ensured predictability for companies given that the Decree entered into force one day after its publication? A 6-month transition period was provided only for companies that have already carried out import activities. What about the rest of the companies?**
- (c) Could Egypt clarify under which conditions an importer can be included in the White List?**
- (d) Could Egypt clarify what happens after the 30 days during which NFSA should take action on a license request in case no such action is taken (meaning the request is neither approved nor rejected)?**
- (e) There is a possible double registration for food products falling under both, Decree Nos. 6/2020 and 43/2016. It seems that both exporters and importers of the very same food articles will need to be registered – exporters at General Organization for Export and Import Control and importers at the National Food Safety Authority - creating a substantial and unnecessary burden. Could Egypt clarify whether and when NFSA will completely take over the registration of food products?**

Reply:

- (a) The decision has been notified WTO SPS and TBT committees in documents G/SPS/N/EGY/116 and G/TBT/N/EGY/277 respectively.
- (b) In order to ensure predictability and transparency, the decision has been published in the Official Journal on 16 July 2020. It is also published on the website of NFSA. The decision has provided a six months transitional period for currently operating food importers to obtain the stipulated license and be registered at the authority in order to ensure the smooth flow of Trade and avoid any trade disruptions.

New food importers, which have not practiced import activity before, will register from the beginning at NFSA after submitting the required documents and adhering to the requirements stipulated in the decision. Furthermore, they are exempted from presenting a statement of previous import activity.

- (c) Concerning the white list of importers this will be established by NFSA and it will duly issue the requirements.
- (d) The decision stipulates a timeline of 30 days in which NFSA will inform the applicant if whether his documents satisfy the requirements. If the submitted documents fulfil the requirements the applicant will be registered in the registry of licensed importers and published on the website. If the applicant does not meet the requirements he will be informed of the reasons and required corrective action in case of not satisfying the food safety requirements.

Also, the importers have the right to appeal against NFSA's decisions in both cases whether NFSA does not make a decision on the license request within 30 days or their license request is rejected in accordance to Article 18 of the Law No. 1/2017 regarding grievance against NFSA's decision. Article 18 of Law No. 1/2017 states that "the grievance committee shall have sole competence to consider the grievances filed by parties concerned against NFSA's administrative decisions on food safety in accordance with the provision of the present law, other food safety related laws and the executive decrees related thereto".

Furthermore, the importer may always send their enquiries concerning the pending license requests through NFSA's website which will be replied to expeditiously.

- (e) There is no double registration for food products falling under both Decree Nos. 6/2020 and 43/2016. The objective, the scope and the mandate of application of both decrees are different.

Decree No. 6/2020 lays down rules governing the licensing of food importers and food business establishments which work in the area of importation of food into Egypt in order to ensure the safety of imported food products and reduce the risk associated with it. This decree will also enhance the efficiency of clearance time of imported food by ensuring that foreign suppliers in the exporting countries apply the necessary food safety measures and international best practices.

On the other hand, Ministerial Decree No. 43/2016 covers the registration of the manufacturing plants and the companies owning trademarks qualified to export their products to Egypt. It does not deal with the registration of importers and the scope of food products therein is rather limited.

**EU Question No 4: Could Egypt explain whether Decree No. 43/2016 limits the number of suppliers that can be registered under one trademark? We have received information that some EU exporters are being refused registration of new suppliers on the basis that the number of those already registered under a specific trademark is too high.**

Reply:

Decree No. 43/2016 stipulates no such limits. It would be beneficial if EU can share with Egypt the specific cases. Decree No. 43/2016 clearly sets out the requirement from Trademark owner companies and places no such restrictions. The provision on the registration of companies owning the trademark has been added in order to ensure the flow of exports of those companies.

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